UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
SAM NUNN
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA GEORGIA 30303-8960

August 23, 2010

U.S. Army Corps of Engineers, Mobile District
Planning and Environmental Division
P.O. Box 2288
Mobile, AL 36628-0001

Attention: Ms. Jennifer Jacobson

Subject: EPA Comments on the Final Supplemental Environmental Impact Statement (Final SEIS) for the Proposed Pascagoula Harbor Navigation Channel, Harrison County, MS; CEQ #:20100262; ERP #: COE-E32061-MS.

Dear Ms. Jacobson:

Pursuant to Section 309 of the Clean Air and Section 102(2)(C) of the National Environmental Policy Act (NEPA), EPA, Region 4 has reviewed the subject document. The project evaluates the consequences of the U.S. Army Corps of Engineers (USACE) proposal to widen the Gulf entrance channel from 450 to 550 feet and deepen both the upper Pascagoula Channel from 38 to 42 feet between Bayou Casotte Channel and a point one mile south of the railroad bridge in the bar channel, and the Horn Island impoundment basin from 44 to 56 feet, respectively.

The purpose and need for the proposed deepening and widening is to construct Congressionally-authorized improvements to the channel that provides safe and unrestricted navigation into and out of Pascagoula and Bayou Casotte Harbor, and adequate disposal of dredged material.

Two alternatives are examined in the Final SEIS, including a no-action and action alternative (i.e., deepening and enlarging the Harbor). Deepening and enlarging the Harbor requires dredging and disposal of approximately 7.22 million cubic yards of material (increased to 4.92 M from 3.2 M of new work material and 2.3M of maintenance material). The sediment will be removed using various dredging methods including mechanical dredging and hydraulic cutter head and hopper dredging. Three disposal options for the dredged material are examined in the Final SEIS – littoral zone disposal, use of existing Pascagoula Ocean Dredged Material Disposal Site (ODMDS) located south of Safety fairway, and placement in existing open water disposal sites in the Mississippi Sound.

EPA Region 4 submitted comments to USACE on the Draft Supplemental Environmental Impact Statement (Draft SEIS) for this project on August 20, 2007. Based upon EPA's review of the DSEIS, it was assigned a rating of "EC-2." This means that there were environmental concerns and additional information was requested. EPA commented on the Purpose and Need, Alternatives, Toxicity Testing, Biological Resources, Threatened and Endangered Species and Air Resources and cumulative impacts. Based on the information in the Final SEIS, the USACE responded to most of EPA's comments.

EPA has the following remaining comments for the USACE's consideration on the proposed Final SEIS:

The proposed Pascagoula Harbor Navigation Project extends into the Gulf of Mexico and into areas already impacted or areas that will be impacted by the Deepwater Horizon oil spill. Under the Marine Protection, Research, and Sanctuaries Act (MPRSA) all dredged material must meet the Ocean Dumping Criteria (see 40 CFR Parts 227-228) prior to disposal in the ocean. In particular, 40 CFR 227.6(a) prohibits the ocean disposal of any materials containing oil of any kind in other than trace amounts.

Under the 2007 Memorandum of Understanding (MOU) between the U.S. Army Corps of Engineers South Atlantic Division and the U.S. Environmental Protection Agency Region 4 on Ocean Disposal of Dredged Material, the District is expected to consult with EPA Region 4 prior to authorizing the commencement of the ocean disposal activity if there is the possibility of recent contamination of the material due to spills or discharges of pollutants (refer to MOU Section IV.C).

The Deepwater Horizon spill released oil in the Gulf of Mexico and created uncertainty whether ongoing and future dredging projects including the Pascagoula Harbor Navigation Channel Project will meet environmental compliance criteria and requirements for ocean dumping and near coastal placement as required by the MPRSA and Clean Water Act (CWA). Prior to the spill, EPA wrote a letter of concurrence to the USACE on August 7, 2009, in regards to their December 11, 2007, and March 12, 2009, requests for concurrence on the suitability for ocean disposal of dredged material from the Pascagoula Harbor Navigation Project and its associated project segments. EPA conducted an independent review of the MPRSA Section 103 Evaluation Report and other supporting documents and concurred with the USACE's finding for Pascagoula Harbor Navigation Project. Specifically, the project findings concluded that:

- Project materials were tested and found to be suitable for ocean disposal or near coastal placement; some segments were excluded from testing because they were far removed from sources of pollution and EPA had reasonable assurance that the materials in those areas were not contaminated by pollution
- Ocean dredged material disposal sites (ODMDS) were acceptable for continued use; and,
- All reference sites were found to be substantially free of contaminants.

As a result of the Deepwater Horizon oil spill, an evaluation of potential contamination of the material proposed for disposal, reference sites, and placement/disposal sites will be required per the CWA and MPRSA. Enclosed is a copy of the interagency document entitled an

Approach for Evaluating Sediment for Proposed Ocean and Near Coastal Placement: Determining Oil Contamination from the Deepwater Horizon Spill. This document is intended to provide a transparent process for sampling, testing, and evaluating sediments for Federal navigation projects. EPA notes that all of the project segments described in the Pascagoula Harbor Navigation Project Final SEIS including the Pascagoula Bar Channel must undergo this approach to evaluate whether the materials in this project area were adversely impacted by the spill.

The Final SEIS referenced the Pascagoula Harbor, Mississippi, Feasibility Report (USACE, 1985a) as a means of addressing our request for information that would support the stated need for the project. The EIS that is referenced is over 25 years old and it is unclear whether the assumptions are still valid particularly in light of more recent events that have occurred in the Gulf (i.e., Hurricanes and Deepwater Horizon Oil Spill, etc). To address questions from the Draft SEIS related to the volumes of Bar Channel material that are anticipated to be suitable for disposal in the existing disposal sites along with the criteria for suitability, the Final SEIS appears to reference the 1991 FEIS for the designation of an ODMDS located offshore of Pascagoula. It would be helpful to briefly summarize the findings related to the public agency inquiry from the referenced document for decision-makers. Finally, EPA's recommendations related to cumulative impacts do not appear to have been addressed. In addition, since air toxics are an emerging issue, future harbor navigation projects should address this issue.

During the environmental review process, two administrative items were identified that should be addressed with subsequent reviews. A link to the USACE Final SEIS was located at the following website for public review: http://www.usacepascagoulaeis.net/default.aspx. However, the link to the electronic versions of the document was not accessible on the website above during certain periods within the waiting period. Error message (HTTP 400 Bad request) indicated that the website could not be found. In the future, please provide more than one copy of the document for regional review for internal associate reviewers. Our regional website indicates that three copies are desirable. Some of these copies may be electronic versions. EPA notes that the USACE contacted the consultant to address the issue once it was brought to their attention. The second item relates to an agency comment and responsiveness summary. In the copy of the document that we received, a responsiveness summary from the USACE addressing our previous comments was not included in the Final SEIS. Only a few pages were included related to the USACE's responses to comments by NOAA. It would be helpful to include specific responses to EPA in the summary in future USACE final EISs to facilitate the environmental review process.

Overall, EPA notes that many of our Draft SEIS comments are addressed. However, we have concerns regarding the suitability of dredged material from the Pascagoula Harbor Navigation Project as a result of the BP Deepwater Horizon oil spill. The USACE should follow the approach developed by an interagency team for evaluating sediments for proposed ocean and near coastal placement. It is our understanding that the proposed project will result in temporary impacts to water quality, commercial and recreational fishing, essential fish habitat, biological

resources including the sea turtles, nesting and roosting birds are expected. In addition, long-term increases in vehicular, ship and rail traffic within the vicinity of the project are anticipated.

Thank you for the opportunity to comment on this proposed action. Please provide the Record of Decision to EPA and include us in notifications of future interagency meetings. We look forward to working with you to address any identified concerns. If we can be of further assistance, the EPA technical contact will be Doug Johnson (404/562-9386) or johnson.doug@epa.gov located in our Water Protection Division, while the NEPA contact will be Ntale Kajumba (404/562-9620) or kajumba.ntale@epa.gov of my staff in the EPA Atlanta regional office.

Sincerely,

Christine M. Holberg

for Heinz J. Mueller, Chief
NEPA Program Office
Office of Policy and Management

Enclosure: *Approach for Evaluating Sediment for Proposed Ocean and Near Coastal Placement: Determining Oil Contamination from the Deepwater Horizon Spill.*

Approach for Evaluating Sediment for Proposed Ocean and Near Coastal Placement: Determining Oil Contamination from the Deepwater Horizon Spill

18 August 2010

Introduction and Background

The BP Deepwater Horizon spill released oil in Gulf of Mexico and created uncertainty whether ongoing and future dredging projects will meet environmental compliance criteria and requirements for ocean dumping and near coastal placement as required by the Marine Protection, Research and Sanctuaries Act (MPRSA) and Clean Water Act (CWA). The USACE manages 102 planned or active dredging projects in the region and, along with EPA, manages 15 ocean dredged material disposal sites (ODMDS). Prior to the spill:

- All projects were tested and found to be suitable for ocean disposal or near coastal placement;
- All ODMDSs were acceptable for continued use; and,
- All reference sites were found to be substantially free of contaminants.

Because of the BP oil spill, the CWA and MPRSA require an evaluation of potential contamination of the material proposed for disposal, reference sites, and placement/disposal sites. The purpose of this document is to provide a transparent process for sampling, testing, and evaluating sediments for Federal navigation projects. This process is the result of a collaborative effort between the U.S. EPA and USACE. Specifically it includes:

- A listing of projects that may be impacted
- Likelihood of oil contamination at each site
- Statutory authority (i.e., CWA or MPRSA) at each site
- Priority for testing based on priority of project and/or dredging schedule
- Process for determining testing requirements for compliance

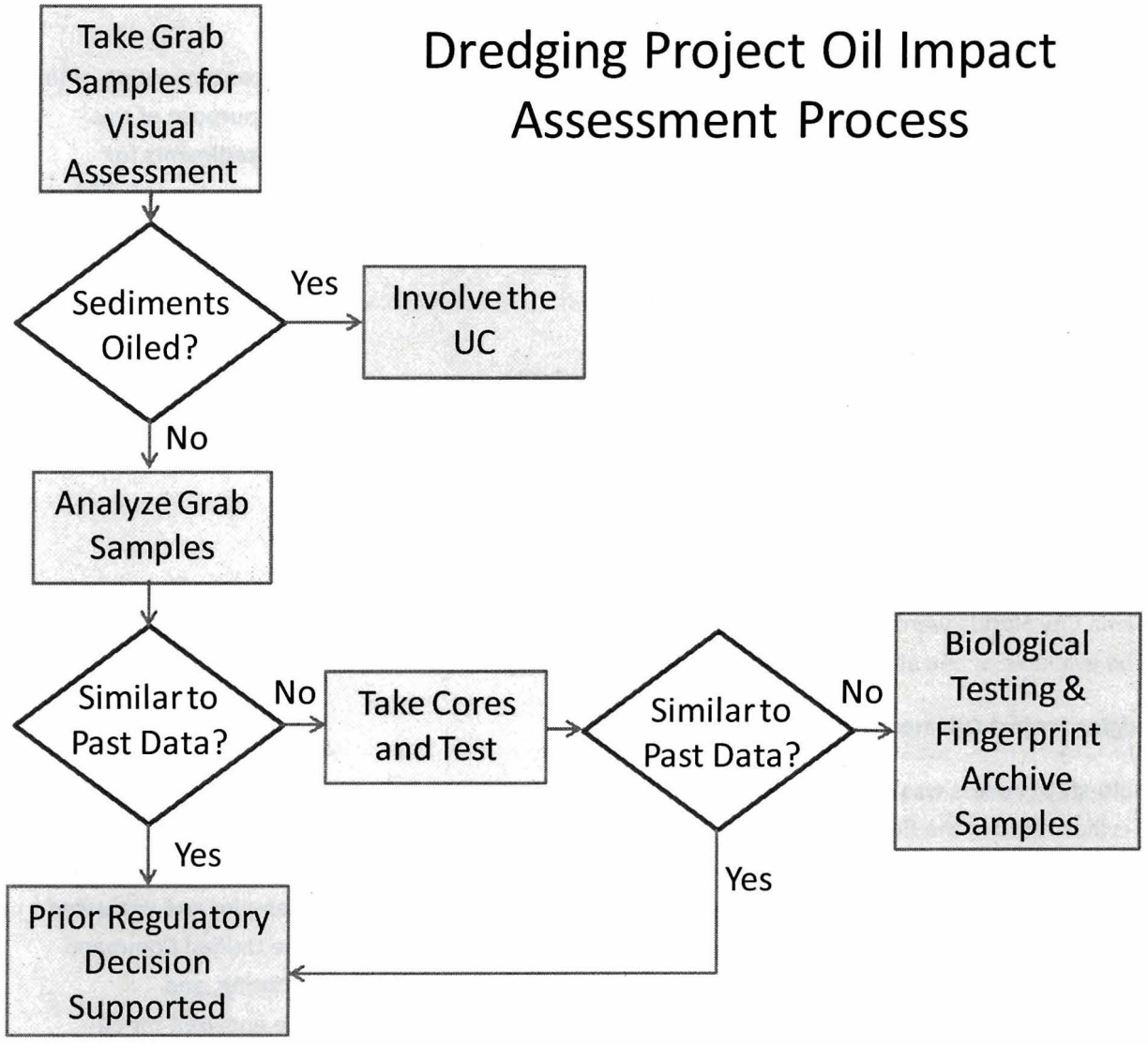
Project Listing

For the purposes of narrowing the evaluation process, projects from the Texas/Louisiana State line to Panama City Florida were considered to be most relevant and were included in the list. The spreadsheet will be available online at http://el.erdc.usace.army.mil/oilspill.cfm.

Dredging Project Oil Impact Assessment Process

A multi-step process was developed to initially screen and evaluate sediments from dredging projects and is illustrated in the flowchart below. A sampling plan will be developed by USACE for each project and approved by the EPA. Grab samples will be initially used to provide a conservative estimate of recent oil contamination. Grab samples will be collected by PONAR or Eckman sampler and evaluated for the presence of newly oiled sediments. If obvious oil is encountered, then the Unified Command (UC) will be contacted to assist with further assessment of the sampling, fingerprinting, and remediation. If no obvious oil is detected in the grab sample the sediment will be analyzed for oil-

related contaminants (e.g., PAH, TPH, Oil and Grease) identified in regional guidance. If results of the analysis are similar to previous testing results, then the materials meet the requirements of the CWA or MPRSA as previously determined. This determination should be made using a statistical comparison and consider background concentrations of oil and analytical variability. If the results from this analysis reveal substantially greater levels of oil, then project managers may decide to defer dredging and contact the Unified Command or collect core samples for further analysis. Core samples should be collected to project depth and analyzed for the same analytes as those determined in the grab sample. In addition, sediment should be archived for additional tests as needed. Results of the chemical analysis will be evaluated using a statistical comparison and consider background concentrations of oil and analytical variability. If the results from this analysis reveal substantially greater levels of oil, then project managers may decide to defer dredging or evaluate archived samples using biological tests and oil fingerprinting techniques. Ultimately this information may be used to evaluate sediment management alternatives.



The process was developed as part of the *Dredging Program Technical Workshop: Addressing the Deepwater Horizon Oil Spill* held on 11-12 August 2010 at the U.S. Army Engineer Research and Development Center (ERDC-EL), Vicksburg, MS.

Contributors included representatives from the USACE Headquarters, USACE Mobile District, USACE New Orleans District, USACE Galveston District, USACE ERDC, U.S. EPA Headquarters, U.S. EPA Office of Research and Development, U.S. EPA Region 4, and U.S. EPA Region 6.

Proceedings from the workshop can be accessed online at: http://el.erdc.usace.army.mil/oilspill.cfm